



District Offices

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Testimony before the House Finance & Appropriations Committee

Diane Adamec, Board President
Sycamore Community School District
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Chairman Smith, Vice Chairman Schuring, Ranking Minority Member Driehaus, and members of the House Finance and Appropriations Committee, thank you for the opportunity to submit testimony today. My name is Diane Adamec and I am here to speak on behalf of the Sycamore Community School District, located in Hamilton County. I have been a member of the Sycamore Community Schools Board of Education since 2006 and a member of its community for 16 years. I am a proud parent of a Sycamore graduate and a Sycamore High School senior. Needless to say I am thoroughly vested in the success of the Sycamore Schools and its community. Mr. Ken Richter, Board member and Dr. Adrienne James our Superintendent and 36 year educator, join me today.

We are here to express Sycamore's opposition to the recommendation in the "Substitute" version of House Bill 64 to end tangible personal property tax reimbursements (TPPR) to school districts and to make you aware of possible unintended consequences of its elimination.

Mr. Richter, Dr. James and I are proud to be part of a community that has worked cooperatively to be an economic driver in Ohio. Our community, which includes the cities of Blue Ash and Montgomery and portions of Symmes and Sycamore Townships, is a great example of what can happen when governments work together with a vision to create a great place to live and work for our residents and our employers. Sycamore has worked diligently to make our community attractive for business and residential development. We've worked with our municipalities and townships to approve incentives and abatements to attract businesses and build supporting infrastructure. We've provided high quality education drawing people to live in our neighborhoods and enhance residential values. We've maintained moderate property tax rates to attract business and residential development.

The elimination of TPPR puts business and residential development for the Sycamore community and others who are heavily reliant on this funding source at risk. Sycamore will be forced to seek a significant increase in local funding through increased property taxes to fill the gap created by the public policy shifting funds away from local communities to the State. This is in a community that has approved local tax issues for all of its school facilities and currently funds nearly 80% of its operations. Of the State's 20% contribution, 12% is TPPR. Once this funding source is completely phased out through this policy change, the State will pay less than 10% of the cost to operate our public school district, shifting the rest to our community and its taxpayers and making it a less desirable place to locate or maintain a business or to raise a family.

Sycamore was heavily reliant on the tangible personal property tax (TPP) as a local source to fund its schools and remains very dependent on TPPR. Prior to elimination of the TPP, Sycamore received approximately \$13 million annually for bond retirement and operations. The State never reimbursed the nearly \$1 million in TPP utilized for bond retirement and then cut an additional \$3 million from the \$12 million in TPPR we received for operations. This was part of a total annual cut of nearly \$4 million or almost 6% of our total operating budget in the 2012-13 fiscal year as we did our part to help the State close its funding gap and put Ohio on the path to recovery. We lost \$2.4 million in 2011-12. Currently, we receive \$9 million in TPPR reimbursement which funds about 12% of our day to day operations.

The district was able to shoulder the 2011-12 and 2012-13 fiscal year cuts without asking our community for additional funds for operations, but that will not be the case going forward. The loss of the remaining \$9 million in TPPR equates to almost 6 mills in property taxes for our community. This before we consider any additional funds for normal inflation, to meet the ever increasing cost of mandates, and to meet the needs of our students and families.

Unfortunately, the State was unable to fulfill its promise to offset the losses from elimination of the TPP with other funding sources. The district receives less than **\$600 per student** in core aid from the State to support teaching and learning for our students, an amount that has changed little since 2005 when this change in tax policy occurred. Again, our local community, both our residents and our corporate citizens, does its part to fund its schools.

Mr. Chairman and members of the committee, thank you for your attention today and for your commitment to the State of Ohio and its citizens. Please consider the negative impact of elimination of the TPPR on communities like Sycamore and our ability to bring economic development to our state. Please maintain the current level of TPPR for all school districts.

